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25X1

281

Page Denied

Top Secret

25X1

Contents

[Redacted]

25X1

Nigeria: *Rising Tensions* 2

El Salvador: *Fighting Intensifies* 3

[Redacted]

25X1

USSR-Egypt: *Gradual Thaw in Relations* 6

Greece: *High-Level Political Frictions* 7

[Redacted]

25X1

South Africa - Angola: *Rumors of a Cease-Fire* 9

[Redacted]

25X1

Western Europe - Turkey: *Council of Europe Debate* 11

Costa Rica - Mexico: *Foreign Minister To Visit* 11

[Redacted]

25X1

USSR-Yugoslavia: *Tikhonov's Visit Canceled* 12

Special Analysis

Tanzania: *Moving Toward the Brink* 13

[Redacted]

Top Secret

25X1

25X1

26 January 1983

Page Denied

Next 1 Page(s) In Document Denied

Top Secret
[redacted] 25X1

NIGERIA: Rising Tensions

The violence that erupted yesterday in Lagos against the government and African immigrants could, if it spreads, threaten stability and lead to a military coup. [redacted] 25X1

Riot police quelled student-led rioting at several locations in the capital following the suspicious burning of a government building, the third such incident in little more than a year. The US Embassy reports several hundred rioters protested President Shagari's tolerance of excessive corruption and demanded the military return to power. They implied the fires were set by the regime to destroy records documenting official corruption. [redacted] 25X1

Other violence is occurring against masses of illegal West African immigrants now being expelled by the government. They take scarce jobs and are easily influenced by religious agitators like those who fomented unrest in the north last October. [redacted] 25X1

No threat has been directed yet against the approximately 7,600 Americans living in Nigeria. The USIS building in Lagos, however, did suffer minor damage as a result of the police use of tear gas. [redacted] 25X1

Comment: Shagari and several ministers are visiting the Middle East. Part of the violence may be an attempt by the tribally based political opposition in the south, which fears defeat in the elections slated this summer, to embarrass the government while the President is away. The police might not be able to control the situation if Shagari's northern supporters take to the streets in reaction to the rioting. [redacted] 25X1

Despite the support of the northern-dominated senior officer corps, Shagari's presence is needed to reduce tensions. If the undermanned police have to step aside for the Army to restore order, middle-grade officers in command of armed troops may decide to take over to preserve national unity. [redacted] 25X1

Top Secret
[redacted] 25X1

26 January 1983

Page Denied

Top Secret

25X1

EL SALVADOR: Fighting Intensifies

A temporary setback in northern Morazan Department has prompted the military to send additional forces to the area in preparation for a major sweep operation.

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The Army field commander is waiting for more troops and supplies before resuming a sweep of the department from the southeast. The campaign reportedly will continue at least until the town of Perquin is retaken, after which one of three US-trained quick-reaction battalions will occupy the area.

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Comment: The Army's decision to commit major forces to northern Morazan will help reduce the insurgent threat in that region. Such a commitment of personnel and equipment, however, will strain the military's ability to respond to guerrilla operations in other areas.

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different guerrilla factions are coordinating plans to intensify their actions throughout the country over the next several weeks.

25X1

Top Secret

25X1

26 January 1983

Page Denied

Next 3 Page(s) In Document Denied

Top Secret

25X1

USSR-EGYPT: Gradual Thaw in Relations

Soviet leaders are moving cautiously to improve relations with Egypt by exploiting Cairo's desire to avoid being too closely identified with the US. [redacted]

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Moscow continues to take low-key initiatives to normalize ties and reverse the expulsion of its Ambassador and advisers in 1981. According to the Egyptian Embassy in Bucharest, the Romanian Foreign Minister recently informed his Egyptian counterpart that the USSR wants to exchange ambassadors as agreed in principle last February. Foreign Minister Gromyko's son, who visited Cairo ostensibly for professional meetings earlier this month, also met with a senior aide to President Mubarak to reiterate interest in better relations. [redacted]

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Public statements by both sides bearing on their relations are somewhat warmer, and economic ties have improved. A recent article in a Soviet weekly says a new chapter in closer ties could begin soon. [redacted]

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In addition, Moscow is willing to sell Egypt arms again. Last fall the Soviets offered reduced prices on Soviet jeeps. [redacted]

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Comment: Moscow probably does not expect to undermine US-Egyptian ties quickly or easily because it cannot match the ability of the US to provide economic assistance and has to overcome a legacy of distrust. Nevertheless, some further limited improvement in relations including the exchange of ambassadors seems likely in view of Egypt's desire to have normal ties with both the US and the USSR. The Soviets also will try to undermine US-Egyptian strategic cooperation by charging that the US is responsible for Israeli "aggression" in the Middle East and for Cairo's isolation in the Arab world. [redacted]

25X1

25X1

Top Secret

25X1

26 January 1983

Top Secret

25X1

GREECE: High-Level Political Frictions

Relations between President Karamanlis and Prime Minister Papandreou have become strained by differences over foreign policy, particularly bilateral negotiations involving US military facilities. [REDACTED]

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Comment: Neither Karamanlis nor Papandreou would find it in his best interest to let their relationship deteriorate. They both realize that public squabbling risks a constitutional crisis in which both would lose.

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The two leaders probably will try to reestablish the accommodation that governed their relations during Papandreou's first year in office. Papandreou, who has publicly denied press reports of a disagreement, needs the President's cooperation in devising policies toward Turkey and the West and in coping with the expected political fallout from economic austerity measures. Karamanlis evidently believes persuasion is a better strategy than confrontation, as long as Papandreou does not move impulsively against the US bases or provoke Turkey.

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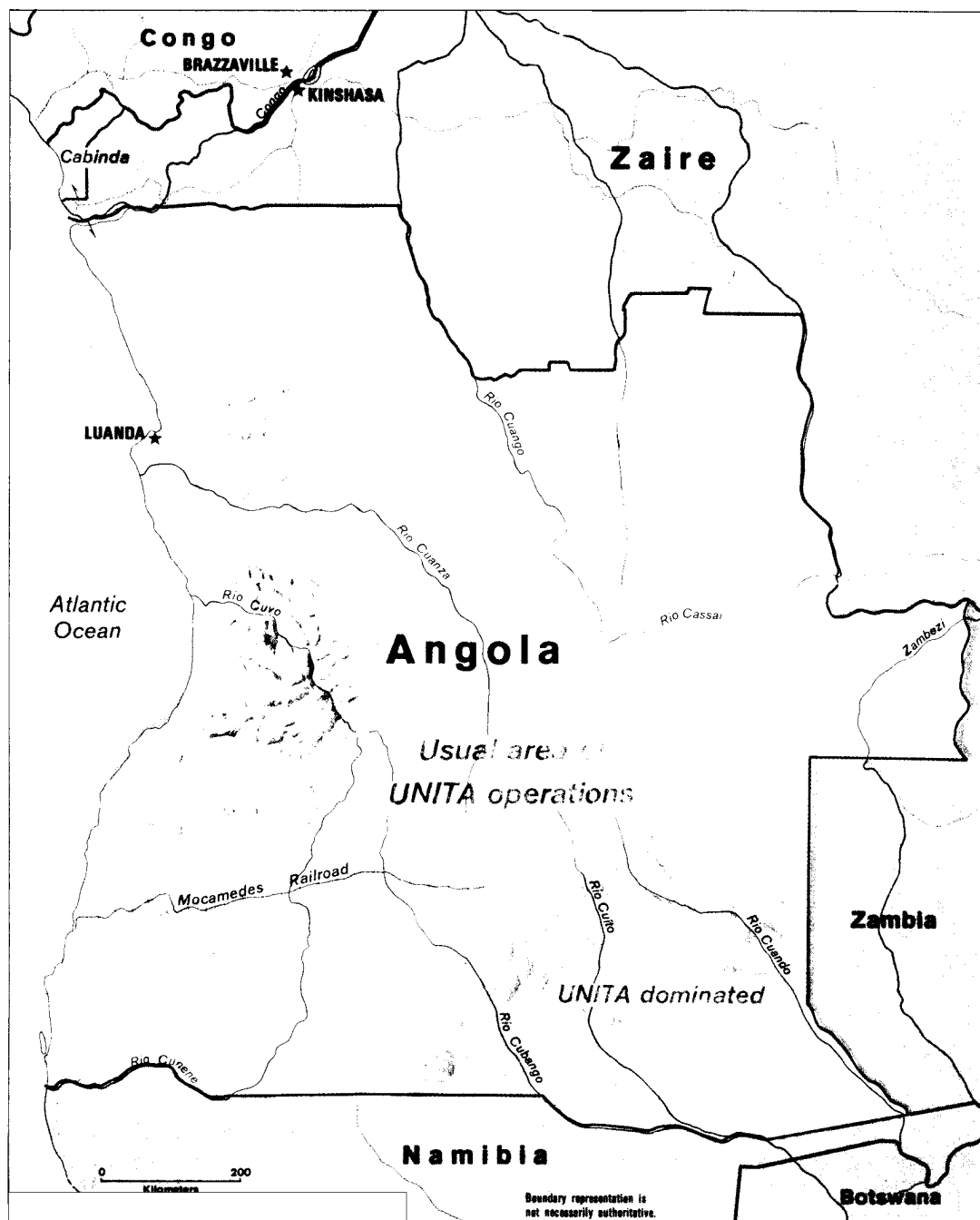
Top Secret

25X1

26 January 1983

Page Denied

Next 1 Page(s) In Document Denied



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25X1

Top Secret
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25X1

SOUTH AFRICA - ANGOLA: Rumors of a Cease-Fire

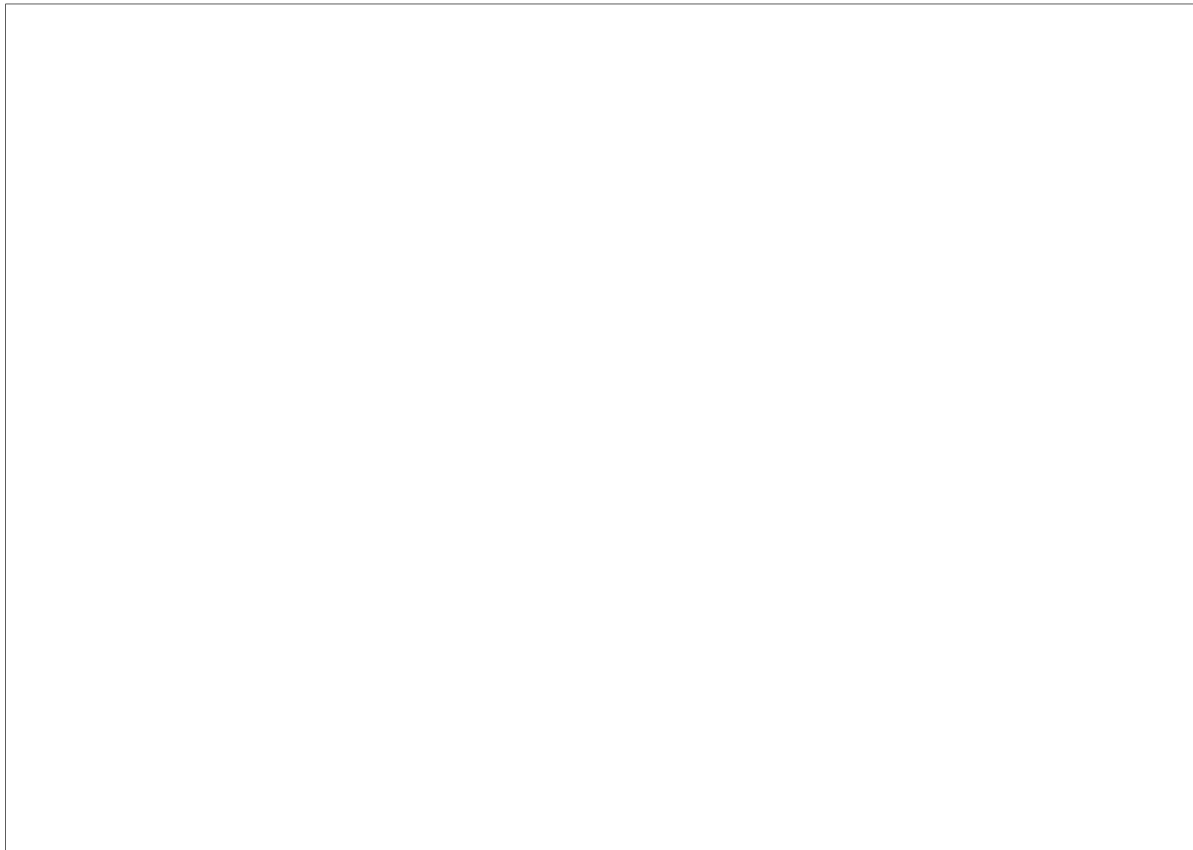
There is as yet no confirmation of press reports that South Africa and Angola have agreed to a two-month cease-fire to take effect next week. The reports also claimed agreement had been reached on the withdrawal of both Cuban troops and guerrillas of the South-West Africa People's Organization to positions north of the Mocamedes Railroad and on the termination of South African aid to UNITA insurgents. Luanda has made no comment and South Africa has issued a statement noting only that negotiations with Angola are "sensitive." [redacted]

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Comment: The terms of the reported agreement are generally consistent with proposals the South Africans submitted to the Angolans during talks last month in Cape Verde. There are no firm indications that a second round of direct talks has occurred, and neither side would be likely to entrust such important negotiations to a third party. The press reports may have confused recently leaked details of the meeting in Cape Verde with a final agreement. [redacted]

25X1

25X1

Top Secret
[redacted]

26 January 1983

25X1

Page Denied

Next 1 Page(s) In Document Denied

Top Secret

25X1

WESTERN EUROPE - TURKEY: Council of Europe Debate

The Parliamentary Assembly of the Council of Europe renews debate today on the state of democracy in Turkey. It will be the first such discussion in a public West European forum since Turkey adopted a new constitution late last year. Deliberations will center on a draft resolution requesting that the Turks refrain from voting in the Council's Committee of Ministers because Turkish democracy does not yet meet the standards to which Council members have to adhere.

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Comment: Turkey is unlikely to be expelled from the Council of Europe at this stage. Following a largely negative independent legal study of the Turkish constitution, however, Council members find it harder to reconcile Turkey's continued membership with its failure to meet the Council's standards. At the same time, many Assembly members are reluctant to recommend Ankara's expulsion and thus lose a means of influencing the course of the Turkish political system. The draft resolution is aimed at satisfying both considerations, but Ankara probably will view such a recommendation as interference in its domestic affairs and reject it.

25X1

COSTA RICA - MEXICO: Foreign Minister To Visit

Foreign Minister Volio, who is concerned about recent damage to Costa Rica's reputation as a result of Nicaraguan propaganda, has accepted an invitation to visit Mexico on 7 February. According to the US Ambassador, he may seek Mexican--and eventually Venezuelan--backing for a new peace initiative to solve regional problems.

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Comment: President Monge's government is smarting from accusations by Managua at the Nonaligned Conference that Costa Rica has lost its credibility as a neutral country. The recent publicity over the discovery of anti-Sandinista camps in northern Costa Rica has served to underscore these charges. To strengthen its standing as an independent country, Costa Rica may now be more receptive to Mexican arguments that Nicaragua has to be included in any attempt to negotiate a regional solution. Earlier, Monge had pushed for the exclusion of the Sandinista regime from regional meetings.

25X1

Top Secret

25X1

26 January 1983

Page Denied

Top Secret

25X1

USSR-YUGOSLAVIA: Tikhonov's Visit Canceled

Yugoslav and Soviet sources have informed the US Embassy in Belgrade that a visit by Premier Tikhonov planned for late February or early March probably will not take place. The Soviet source attributed the cancellation to scheduling difficulties. [REDACTED]

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Comment: The importance the USSR attaches to relations with Yugoslavia and the fact that Tikhonov's visit had been discussed for some time make it unlikely that it was canceled because of a scheduling conflict. The recent signing of a trade agreement for 1983 resolved some economic issues that presumably would have been on the agenda. The Soviets may now prefer to see what emerges from Western efforts to put together a massive assistance program for Yugoslavia before undertaking further high-level economic discussions. The delay, however, may be a sign that Tikhonov's status is in question, in which case additional indications probably would appear soon. [REDACTED]

25X1

Top Secret

[REDACTED]
26 January 1983

25X1

Top Secret
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25X1

Special Analysis

TANZANIA: Moving Toward the Brink

The military coup attempt early this month and growing signs of popular dissatisfaction with President Nyerere's administration have led to speculation among Tanzanian and foreign observers that his 21-year tenure may be drawing to an end. Nyerere is unlikely to halt the country's economic slide, and his increasing political troubles will encourage new attempts against his nonaligned but generally pro-Western government. [redacted]

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While details of the attempted coup are unclear, most of the conspirators evidently were junior or non-commissioned officers. [redacted]

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The plot reflects the widespread discontent with Nyerere's rule. In recent months, worsening shortages of consumer goods, major price hikes, rising crime, and rampant corruption have led to unprecedented criticism of government policies and, increasingly, of Nyerere.

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The Faltering Economy

Nyerere's problems stem both from factors beyond his control and from his own socialist policies. The cost of essential imported goods has been rising steadily, and oil purchases alone now absorb over 60 percent of foreign exchange earnings. At the same time, prices for Tanzania's agricultural products, which account for 80 percent of export earnings, have continued to fall. [redacted]

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A lack of foreign exchange for purchases of equipment and spare parts has hampered the country's industries. The inefficiency of large government-run enterprises and

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Top Secret
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25X1

26 January 1983

Top Secret

Nyerere's unwillingness to abandon expensive social welfare programs have accelerated the economic slide.

Nyerere can no longer count on the generous aid of the Netherlands, the Scandinavian countries, and other Western nations. They face economic difficulties of their own, and some have reservations about Nyerere's policies. Tanzania has had little success in its efforts to secure help from new sources, including oil on concessionary terms from Libya and Iran.

Negotiations are at an impasse with the IMF on a new loan program. As a condition for such assistance, the IMF reportedly wants Dar es Salaam to impose stringent austerity measures including a major devaluation, deep cuts in government spending, a freeze on wages, and elimination of many price controls and subsidies. Nyerere has resisted most of these requirements, arguing that they would increase the likelihood of unrest.

Political Repercussions

If the economy continues to decline, as seems likely, Nyerere will face new challenges to his rule. Unrest could occur in Dar es Salaam and other cities if food shortages worsen or if the government imposes major price increases on essential commodities. Should the military be ordered to put down demonstrations, it could decide to move against the government instead.

The military also could challenge Nyerere if it faced an uprising on Zanzibar. Secessionist sentiment there has been growing as the predominantly Muslim residents of the island chafe under the political and economic domination of the non-Muslim mainlanders.

In an apparent effort to head off trouble on Zanzibar, the government recently conducted military exercises there as a show of force.

Some in the military may try again to topple the government even in the absence of civil disturbances. The US Embassy reports that discontent is widespread among the poorly paid junior officers and enlisted men, who are feeling the burden of recent price hikes.

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Top Secret

26 January 1983

Top Secret
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25X1

Senior officers seem less likely to initiate a coup. They enjoy perquisites unavailable to most Tanzanians, and some have been coopted by Nyerere's offers of important posts in the ruling party or the government. Nevertheless, key senior officers might move against Nyerere rather than allow junior personnel to gain control. [redacted]

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Nyerere still might weather the storm. He is an adroit politician and does not face any organized political opposition. Tanzanians, moreover, are inured to hardship and, as conditions deteriorate in urban areas, many may simply retreat to villages to follow a subsistence life. [redacted]

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Nyerere continues to hope for Western aid in alleviating Tanzania's economic troubles. As his problems grow, however, he may also look for foreign scapegoats, perhaps including the US. [redacted]

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Top Secret
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25X1

26 January 1983

Top Secret

25X1

Top Secret